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Return of the Sickness and Mortality in Friendly Societies. Mr. ALEXANDER GLEN FINLAISON'S Report. Ordered by the House of Commons to be printed, 16 August, 1853.

THIS is truly a most important return, creditable alike to the enterprise of Government and to the industry and ability of its officers. It has reached our hands only just in time to enable us to bring it under the notice of our readers, and we therefore can do no more than make them acquainted with its nature and origin, reserving our comments for a future Number. Mr. Finlaison states that the facts required were those for the five years ending 31st December, 1850; and continues—

“The information requested from each Society comprised the following particulars: *In limine*, the name of the Society; the place where it was then established; and the objects of the institution. Statements were next required of—1. The initials of the member's name; 2. The member's occupation; 3. Age at the time of admission into the Society; 4. Date of admission; 5. The time (in weeks and days) of receiving relief on account of sickness; 6. Date when placed on superannuation fund; 7. Date of death; 8. Date of exclusion; 9. Date of leaving; 10. Name of disease or cause of death; 11. Place of residence at time of death; and there was added—12. A final column for remarks.

“In due course of time the data thus sought began to flow into the office of the Registrar, and the whole of the returns which were obtained were received by the close of the summer of 1851. They formed a huge mass of papers. When bound up, the collection made no less than forty large folio volumes, each some six to seven inches in thickness. Towards the close of the year 1852 the Registrar made, in accordance with the 18th section of the 13 & 14 Vict., c. 115, an abstract of such quinquennial returns, which abstract was laid before the Secretary of State for the Home Department, and also before both Houses of Parliament.

“The idea was at first entertained of placing this vast collection of information at the disposal of the Institute of Actuaries, in order that results serviceable both to science and also to the class more particularly interested in the stability and good management of Benefit Societies might be elicited by the combined judgment and experience of that learned body. Accordingly, the Council of the Institute of Actuaries was addressed by the Registrar of Friendly Societies, by a letter dated July 1852, wherein he announced his possession of forty volumes of Returns, containing accounts of the sickness and mortality experienced among the members of Friendly Societies; and their opinion was asked, ‘Whether there was a necessity at that time for further data on the subjects of sickness and mortality, especially with reference to the members of Friendly Societies; and if so, whether the forty volumes of information’ (of which one was forwarded as a sample) ‘could be used beneficially for such an object as providing more data or not?’ with the view to such opinion being laid before the Lords Commissioners of Her Majesty's Treasury. It was also inquired whether the Council would consent to superintend the preparation of such data, and the subsequent computation of tables. The general opinion of the Council on the subject, and the manner in which it would be treated, was also requested.

“In reply, the Council, ‘admitting that some very valuable information had already been collected on the subject, thought that the favourable opportunity now presented of classifying the large body of more recent facts

returned to the Government order should not be lost; and taking it for granted that there existed, as represented, perfect returns of sickness and mortality experienced among 300,000 members for the last five years, the Council of the Institute would undertake the public trust of analyzing these returns, and of forming from them a set of tables of money values for rates of allowances in sickness, and for payment of given sums at death. If, however, it should hereafter appear that the use of the tables ought to be modified by the nature of the individual Society, its particular locality and special regulations, the Council would propose to append to the tables such observations as would guard the public against their indiscriminate or injudicious application.'

"The Council, therefore, while it recognized the expediency of storing and utilizing the facts recently returned to the Government, did not suggest any plan for the treatment of the information.

"The Registrar of Friendly Societies in England, in bringing under the notice of the Lords of the Treasury the fact of his being in the possession of a considerable number of returns of sickness and mortality, then proposed to their Lordships that tables should be computed from these documents under the provisions of the second section of the Act 15 & 16 Vict., cap. 65. In making this proposal for 'tabulating the returns,' the Registrar, after citing certain clauses in support of his views from the Acts 10 Geo. IV., c. 56, and 13 & 14 Vict., c. 115, adduced as a consideration, 'that such a proceeding is in conformity with the spirit of all the Acts of Parliament passed in relation to Friendly Societies; the legislature having regarded the correct calculation of tables of payments and allowances dependent on the duration of sickness and the probabilities of human life as an object which it is desirable should be attained. Also, that, however extended the information extant on general statistics may be, the true data for Friendly Societies can only be ascertained from the facts supplied by the experience of such Societies. And thirdly, that a want of more satisfactory data for the computation of the tables had been felt by the officers, members, and others interested in Friendly Societies.'

"Then, after introducing his correspondence with the Institute of Actuaries, the Registrar requested their Lordships to sanction the incurring of expenses for the computation of tables, under the second section of cap. 65 of the 15 & 16 Vict.; such computation to be carried out by the Council of the Institute of Actuaries, and upon such terms and in such manner as detailed in their letter.

"My Lords, having had under their consideration this Report and proposal of the Registrar, caused (28 October, 1852) a minute to be made of this circumstance; and after referring at the same time to the statutes in which the correct calculation of tables for the assistance of Friendly Societies is stated to be desirable, and also noticing the substance of the correspondence between the Registrar of Friendly Societies and the Council of the Institute of Actuaries, proceed to recognize the principle involved in the clauses of the Acts alluded to, and the manifest importance to the interest of Friendly Societies that every pains should be taken to place at their disposal the most ample and correct information. In this view it appeared to my Lords that they would be justified in sanctioning the expense which must necessarily be incurred in forming such tables from the returns made to the Registrar. They did not doubt that the utmost pains and care would have been taken by the Institute of Actuaries in

directing and superintending the use of the data afforded in these returns for the formation of correct tables; but it nevertheless appeared to them that in a matter of this kind it would, upon the whole, be better that the work should be undertaken by that department of the Government which is more immediately in connection with Friendly Societies, and on the establishment of which department there is employed an officer specially conversant with such matters. Before, however, giving final directions thereupon, they desired that the papers, and a copy of their minute, should be transmitted to the Commissioners for the Reduction of the National Debt, and that they might be requested to state whether they could make provision under their superintendence, and that by their officers, assisted by the Registrar of Friendly Societies, for preparing tables from the returns collected by that officer; and if so, that they would state the principles on which they would recommend such tables to be prepared, when my Lords would issue such further instructions as might appear to be necessary.

"It was then referred to the undersigned, in his capacity of Actuary to the Commissioners for the Reduction of the National Debt, to enunciate the principles upon which it should be proposed to deal with the returns. Accordingly, in a report addressed on the 30th October, 1852, to the Comptroller General of the National Debt Office, those principles which present themselves in due course throughout this paper were suggested. That report was enclosed to the Treasury, with favourable remark, in a letter of the 4th November following, in which the Commissioners expressed their readiness to give every assistance in their power in the execution of this duty.

"On the 9th November, 1852, these papers were read before their Lordships, and the Secretary of the Treasury was directed to acquaint the Commissioners for the Reduction of the National Debt, that, estimating the very great importance at the present time, in reference to the industrial classes, of well digested tables, founded upon well ascertained facts, for calculating the contingencies to which these classes are subject, it appeared to my Lords that it was advisable to carry out the intentions of the legislature in this matter in the manner suggested in the Commissioners' letter.

"Under instructions, therefore, which were issued in conformity with the objects held in view throughout the above correspondence, it immediately became my duty to carry into effect the principles which I had submitted as the proper groundwork for the proposed investigation."

Mr. Finlaison then proceeds to describe the *modus operandi* adopted by him, for which we must for the present refer our readers to the Report itself; the importance of which, and of the materials collected, it would be difficult to overrate.

Work recently published :—

Life and Marine Assurance: Considerations which should influence Assurers in the Selection of an Office for Life Assurance, &c. By William Lance, Associate of the Institute of Actuaries, Marine Actuary. London: Longman, Brown, & Co. 1854.
